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CONSUMER ATTITUDES TOWARD SOCIAL SECURITY AND COST-OF-LIVING ADJUSTMENTS

A Chamber/Gallup Survey

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Executive Summary

Consumer Attitudes Toward Social Security and Cost-of-Living Adjustments

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I. INTRODUCTION

The overwhelming importance of the social security system to the public and to the economy led the U.S. Chamber's Survey Research and Inflation Studies Centers to arrange for The Gallup Organization to conduct a special survey of American consumers' attitudes toward social security and cost-of-living adjustments.

The survey involved 1,028 telephone interviews by The Gallup Organization with a national probability sample of the U.S. public, 18 years and older, conducted during March 22-April 3, 1982. It is very probable (95 chances out of 100) that the survey findings are within four percentage points of the figures that would have been obtained if the entire adult population had been interviewed. Because of sample size, the margin of error for subgroups is larger.

Some key findings:

- People know that Social Security is in serious financial trouble, but have little understanding of the reasons why.
- People do not know Social Security benefits rise step-by-step with the C.P.I. This misperception hurts the chance for COLA reform.
- A temporary freeze on COLAs is not an emotionally charged subject for a majority of voters. That majority would either be more likely to vote for a member of Congress supporting a freeze or would not see the issue as important in choosing how to vote.
- But, discussions about COLA reductions often are misinterpreted by the public to mean reductions in the dollar amount of Social Security checks or cutting people off benefits entirely.
- Selling the equity issue is the key to COLA reform. Over seventy percent of those who believe in paying automatic COLAs believe these should be no greater than average COLAs in major private sector collective bargaining agreements (60% of CPI).
- Working Americans tend to believe COLAs should not be automatically given, while the retired tend to believe they should be automatic.
- Retirees do not feel their living costs go up faster than working families' living costs.

II. PEOPLE KNOW THAT SOCIAL SECURITY IS IN FINANCIAL TROUBLE

An overwhelming majority of American working people have pessimistic expectations about the Social Security benefits they will receive when they retire. Fully 63% of all people currently employed are afraid that they might not receive any Social Security payments at all. An additional 16% expect that their benefits will not be as good as those received by retired people today, for a total of 79% giving pessimistic replies to this question:

Q. 3 *What do you expect when you retire -- will the Social Security benefits you receive be better than those received by retired people today, or not as good, or are you afraid you might not receive Social Security payments at all?*

	Employed
Will be better	7%
Not as good	16
Will not receive at all	63
Will be same (Volunteered)	9
Don't know	5
Total	100%

Eighty-six percent of employed people recognize that the Social Security system has major financial problems, while only 62 percent of the retired are aware of this fact.

Q. 8 *From what you have heard or read, do you think the Social Security system has major financial problems that have to be dealt with, or is it in essentially sound financial condition if things are continued as they are?*

	All Respondents	Employed	Retired
Financial problems	80%	86%	62%
Essentially sound	13	9	25
Don't know	7	5	13
Total	100%	100%	100%

Fifty-six percent of working Americans believe the system will have trouble meeting its financial obligations within five years, and 55 percent believe, correctly, that the system is now spending more money than it receives. By contrast, among those who are retired, only 38 percent believe the system will have trouble in meeting its obligations within five years, and a majority of the retired is unaware that the system now pays out more than it currently receives.

Q. 8a *If no changes are made in the Social Security system, how soon do you think the system might have trouble meeting its financial obligations -- within one year, three years, five years, ten years, or longer than that? (Asked of respondents who believe there are major problems - Q. 8)*

	All Respondents	Employed	Retired
Within one year	11%	11%	11%
Three years	19	21	16
Five years	22	24	11
Ten years	13	16	5
Longer than that	7	7	4
Don't know	8	7	15
Total	80%	86%	62%

Q. 7 *As you probably know, the Social Security system gets its money from payroll taxes paid by employers and people during their working years, and pays out money to people when they are retired. Do you happen to know, is Social Security at present paying out more money than it is receiving, paying out less money than it is receiving, or paying out about the same amount as it is receiving?*

	All Respondents	Employed	Retired
Pays out more money than it receives	50%	55%	46%
Pays out less money than it receives	17	16	11
Pays out same as it receives	14	12	16
Don't know	19	17	27
Total	100%	100%	100%

Fear of not receiving benefits upon retirement is pervasive among employed respondents, and is not related to the exact knowledge people have, or do not have, about the current income vs. benefit payments of the Social Security system.

Expected Benefits Compared to Those Retired People Receive Today (Q.3)	Relationship of Money Paid Out To Money Received (Q.7) Pays out: More	Same	Less
Will be better	6%	9%	10%
Not as good	18	19	12
Will not receive at all	61	62	64
Will be same (VOLUNTEERED)	10	7	10
Don't know	5	3	4
Total	100%	100%	100%

The issue of financial solvency in Social Security may be the political issue on this subject for the 1980's. Our survey results (Q.3) strongly suggest the traditional focus -- "Who will pay me the most money?" -- is no longer the major issue surrounding Social Security. If so, the slate is wiped clean insofar as which political party will capture voter sympathy on the issue of Social Security in the 1980's. Opinion now is evenly divided about which of the two parties is now playing the more responsible role in solving the problems of Social Security. Many respondents said the two parties are about equal in this respect. Respondents who recognize that the system has serious problems (Q.8) were asked the following question:

Q. 8c *Which political party do you think is playing the more responsible role in trying to get Social Security back onto a more sound financial footing -- Republicans, Democrats, or are the two parties about equal in this respect?*

	All Respondents	Employed	Retired
Republicans	19%	22%	16%
Democrats	22	22	19
Two about equal	30	33	17
Don't know	9	9	10
Total	80%	86%	62%

III. PEOPLE DO NOT KNOW SOCIAL SECURITY BENEFITS RISE STEP-BY-STEP WITH THE CPI AND THIS MISPERCEPTION HURTS THE CHANCE FOR COLA REFORM

Currently employed and retired Americans have significantly different attitudes about whether Social Security benefits are higher or lower than they should be. A majority of the retired are satisfied with the level of Social Security benefits they are now getting, while a majority of working Americans feel they are lower than they should be.

Q. 1 *Thinking about the amount of Social Security benefits the government pays to retired people, and taking into consideration everything else the government spends money on -- do you think the Social Security payments retired people are receiving are higher than they should be, lower than they should be, or are just about the right amount?*

	All Respondents	Employed	Retired
Higher than should be	9%	8%	6%
Lower than should be	57	61	35
Just about right amount	30	26	55
Don't know	4	5	4
Total	100%	100%	100%

This difference is largely due to the fact that retired people are more knowledgeable about the Social Security system than are currently employed people. A majority of the employed believe, falsely, that Social Security benefits rise less than the Consumer Price Index. However, lack of knowledge that Social Security pays a full CPI COLA is not limited to those not receiving benefits. A surprising percentage of retired Americans believe, falsely, that their benefits rise less than the CPI.

Q. 4 *In the last couple of years, do you think the Social Security income that people receive has gone up by more than the Consumer Price Index, less than the Consumer Price Index, or about the same amount?*

	All Respondents	Employed	Retired
More than Consumer Price Index	6%	7%	5%
Less than Consumer Price Index	57	60	41
About the same amount	28	27	40
Don't know	9	6	14
Total	100%	100%	100%

Following this question, respondents were told that Social Security payments had increased a total of 40 percent over the last 3 years because of automatic increases tied to the C.P.I. After having been given this information, only 38 percent of employed respondents felt that Social Security benefits were too low (i.e., that they would have voted for a larger increase).

Q. 6 *Over the last 3 years, Social Security payments have increased a total of 40 percent because of automatic increases tied to the Consumer Price Index. If you were a member of Congress voting on this issue, would you have voted to increase Social Security payments by 40 percent during the last 3 years, or would you have voted for larger, or for smaller increases?*

	All Respondents	Employed	Retired
40 percent increase	33%	31%	46%
Larger increase	38	38	28
Smaller increase	20	24	11
Don't know	9	7	15
Total	100%	100%	100%

Perceptions as to whether Social Security benefits rise by more or less than the C.P.I. are critical to attitudes about the recent growth of benefits. Among the 61 percent of currently employed respondents who said (in Q.1) that current benefits are too low, fully 71 percent evidenced misinformation by saying that the Social Security income people receive had gone up less than the C.P.I. in recent years. After being informed (in Q.6) that COLAs tied to the C.P.I. had increased benefits by 40 percent, only half (49 percent) of those who originally felt the benefits were too low still felt that way (i.e., they said (in Q.6) that they would have voted for larger increases).

Once they had been given the facts about recent cost-of-living adjustments, only 38 percent of currently employed respondents, and 28 percent of the retired, felt that Social Security benefits were too low (Q.6).

It is interesting to note, however, that even after respondents have been informed about the C.P.I. COLA, there is still a strong relationship between attitudes toward whether Social Security benefits are too high or too low, and preconceptions about whether Social Security benefits have gone up more or less than the C.P.I. Among employed respondents who believed (before being told otherwise) that benefits had gone up less than the C.P.I., 44 percent would vote for larger increases (after being told). Among those who thought ahead of time that benefits had gone up by as much or more than the C.P.I., only 28 percent would vote for larger increases.

	Currently Employed		Retired	
	Benefits have increased (Q.4):			
"How would you have voted?" (after being informed - Q.6)	Less than C.P.I.	Same or more than C.P.I.	Less than C.P.I	Same or more than C.P.I.
40 percent increase	32	28	40	57
Larger increase	44	28	36	19
Smaller increase	14	40	10	12
Don't know	10	4	14	12
Total	100%	100%	100%	100%

IV. DISCUSSIONS ABOUT COLA REDUCTIONS ARE MISINTERPRETED BY THE PUBLIC

The results of the survey show a significant misunderstanding about what budget cuts in Social Security imply for the dollar amount on Social Security checks. The discussions this year of a COLA freeze mean keeping the dollar amount of checks the same, while those of a reduced COLA mean increasing the dollar amount of the checks, but by less than now planned.

Currently employed Americans are especially misinformed as to what the term "budget cuts" in Social Security really means. A majority (57%) envision either reduced dollar amounts or a reduced number of people receiving checks.

Q.11 *Some people have proposed that there should be budget cuts in the total amount that the Social Security system is scheduled to pay out to retired people this year. From what you have heard, do you think this would result in reducing the number of people who receive checks, reducing the dollar amount of the checks people receive, or would the dollar amount of the checks stay the same as before instead of going up?*

	All Respondents	Employed	Retired
Reduce number of people who receive checks	17%	17%	15%
Reduce dollar amount of the checks	34	40	17
Dollar amount stay the same (instead of going up)	33	30	38
Don't know	16	13	30
Total	100%	100%	100%

V. A TEMPORARY FREEZE ON COLAS IS NOT AN EMOTIONALLY CHARGED SUBJECT FOR A MAJORITY OF VOTERS

Members of Congress are rightly concerned about the public perception of actions taken with respect to Social Security. This is especially true in an election year, such as 1982. The survey results are especially revealing in this area of concern. A clear majority (61%) of both the retired and the presently employed answered that a temporary freeze on COLAs either would make them more favorably disposed in voting for a member or would not matter.

Q.12 *If your Senator or Congressman voted to freeze Social Security benefits temporarily at their existing level for one year rather than having them rise automatically with the Consumer Price Index, would this make you more likely to vote for that Senator or Congressman, or less likely, or would this not be an important issue for you in deciding how you would vote?*

	All Respondents	Employed	Retired
More likely	26%	28%	28%
Less likely	34	33	33
Not important issue	33	33	33
Don't know	7	6	6
Total	100%	100%	100%

Thirty-three percent of both the currently employed and the retired would be less likely to vote for a member of Congress who supported a freeze on Social Security COLA, while 28% of both groups would be more likely to vote for that member. This is a surprisingly narrow margin for what politicians consider to be a highly emotional issue, and the identity of response between the retired and working Americans is also noteworthy. Equally important is the finding that as many as 33% of respondents do not feel a temporary COLA freeze "would be an important issue in deciding how (they) would vote."

What explains the narrow gap between those who would be more inclined and those less inclined to vote for a member supporting a COLA freeze? The following three cross-tabulations provide important insights into the answer to this question.

	Currently Employed		Retired	
	Social Security benefits are (Q.1):			
COLA Freeze and Inclination in Voting for Member of Congress (Q.12)	Lower than should be	About right or higher than should be	Lower than should be	About right or higher than should be
More likely	20%	41%	22%	32%
Less likely	38	26	43	27
Not an important issue	32	31	28	36
Don't know	10	2	7	5
Total	100%	100%	100%	100%

Among respondents who believe (Question 1) that benefits are at the right level or higher than they should be, a COLA freeze would find greater support (41%) than opposition (26%).

The same is also true among the relatively large proportion (61%) of retired respondents who believe that benefits are at the right level or higher than they should be. In this significant group, support (32%) outweighs opposition (27%), and a noteworthy 36% say that a COLA freeze is not an important issue for them.

Not surprisingly, the greatest opposition comes from respondents who believe that Social Security benefits are smaller than they should be. And, significantly, as shown in the next cross-tabulation below, opposition is concentrated among respondents whose perception is that benefits have increased less than the C.P.I.

	Currently Employed		Retired	
	Benefits have increased (Q.4):			
COLA Freeze and Inclination in Voting for Member of Congress (Q.12)	Less than C.P.I.	Same or more than C.P.I.	Less than C.P.I.	Same or more than C.P.I.
More likely	26%	31%	23%	30%
Less likely	34	31	45	23
Not an important issue	32	34	28	43
Don't know	8	4	4	4
Total	100%	100%	100%	100%

After respondents have been informed of the full C.P.I. COLA, the diminished group believing that benefits are lower than they should be remains opposed to the idea of a freeze (by 39 percent to 21 percent of those currently employed -- see cross-tabulation below). However, among the majority who are satisfied that a 40 percent increase is enough or too much, as many people would be more likely to vote for a member who supported a freeze as would be less likely. This pattern holds equally for those retired and those currently employed.

	Currently Employed		Retired	
	"How would you have voted?" (after being informed of C.P.I. COLA - Q.6):			
COLA Freeze and Inclination in Voting for Member of Congress (Q.12)	Larger Increase	40% or Smaller Increase	Larger Increase	40% or Smaller Increase
More likely	21%	31%	26%	30%
Less likely	39	30	38	28
Not an important issue	32	34	29	38
Don't know	8	5	7	4
Total	100%	100%	100%	100%z

In summary, the support for lower benefit growth than recently is considerably stronger for working Americans who recognize Social Security benefits rise step-by-step with the C.P.I. There is great need to educate the public to this fact, especially those not yet retired.

The answers to yet another question illustrate this point. Respondents who were aware that the Social Security system has financial problems were asked:

Q.8b *What do you believe is the main cause of the financial problem in the Social Security System -- is it because social security taxes are too low, or because social security pays benefits that are too high, or because the benefits have been adjusted upward too much for inflation in recent years?*

	All Respondents	Employed	Retired
Taxes are too low	9%	10%	6%
Benefits are too high	11	9	13
Adjusted upward too much for inflation	27	31	10
Don't know	33	36	33
Not aware of financial problems	20	14	38
Total	100%	100%	100%

Numerous surveys, conducted by the U.S. Chamber and others, have shown great consumer resistance to higher taxes. This survey shows few respondents believing that Social Security benefits are too high. And, Question 4 found many people not aware that benefits are automatically adjusted by the C.P.I. While only 27 percent of respondents believe benefits are adjusted upward too much for inflation, this is nevertheless a strong majority of those who expressed an opinion on Q.8b.

Under these circumstances, the large "don't know" to this question is not surprising, but was rather to be expected. These answers suggest that while many people know the Social Security system is in financial trouble, relatively few have a clear idea as to why this is so. Few have given thought to a possible solution because those solutions are either not popular (raising taxes or lowering benefits) or unknown (reducing the indexation).

VI. DISCRETIONARY AUTHORITY VERSUS AUTOMATICITY OF BENEFIT INCREASES

Recent discussions of Social Security reform have included debate about whether COLA should continue to be automatic, or whether benefit increases should be subject to a vote by Congress, as they were before 1975.

Q.13 *Some types of income payments are automatically increased by the same proportion as increases in the Consumer Price Index. Do you believe that these cost-of-living adjustments should automatically be applied to social security benefit payments and to federal pension payments for government employees and the military, or should any increases be left up to Congress each year?*

	All Respondents	Employed	Retired
Should automatically be applied	44%	42%	44%
Should be left up to Congress	45	48	38
Don't know	11	10	18
Total	100	100	100

Although all respondents are about equally split on this issue, there is some difference in opinion between those retired and those currently employed. The currently employed tend to feel benefit increases should be left up to Congress. Retired persons on the other hand, tend to prefer automatic benefit increases tied to the CPI. In a recent period of double-digit inflation, these results are what one might expect.

However, when asked whether the President should be given discretionary authority to reduce benefits, a strong majority of both employed and retired felt he should not be given such authority.

Q.10 *In your opinion, should the President be given authority to reduce Social Security payments by the proportion that other government spending programs have to be reduced when there is a large deficit in the government budget, or should the President not be given authority to do that?*

	All Respondents	Employed	Retired
Should be given authority	20%	21%	11%
Should not be given authority	76	77	81
Don't know	4	2	8
Total	100	100	100

This contrasts sharply with the answer to Question 14 about equity in fiscal restraint.

Q.14 *In 1983, automatic cost-of-living adjustments for federal programs will cost the government about 21 billion dollars. At present, government is reducing its spending in many areas. Do you think cost-of-living adjustments should be reduced in the same proportion as other spending, or should cost-of-living adjustments not be reduced?*

	All Respondents	Employed	Retired
Reduced in same proportion as other spending	48%	49%	46%
Not be reduced	44	43	42
Don't know	8	8	12
Total	100%	100%	100%

The two answers suggest that the President should not take a lead role in the issue of COLA reform, rather that Congress should cultivate the issue of equity in fiscal restraint if it is to succeed in COLA reform.

VII SELLING THE EQUITY ISSUE IS THE KEY TO COLA REFORM.

Equity in COLA protection is an important issue, according to the survey results. Strong evidence for this is found in the plurality believing that COLAs should be reduced in the same proportion as other spending (see Q.14 just above).

Indeed, for that 61 percent of the retired who are satisfied with the existing level of benefits (Question 1), a clear majority would support a COLA reduction as part of a budget restraint program (56 percent -vs- 36 percent).

In addition, among respondents who believe that COLAs should automatically be applied (Q.13), 73 percent believe these should be equal to the average COLA in labor contracts negotiated with private industry. Currently employed people and the retired feel the same way about this equity issue. (NOTE: According to the Bureau of Labor Statistics, the average long-run yield of COLAs in major private sector collective bargaining agreements is 60% of the C.P.I.)

Q.13a *Should these automatic federal government cost-of-living adjustments be greater than, less than, or equal to the average cost-of-living adjustments in labor contracts negotiated with private industry?*

	All Respondents	Employed	Retired
Greater than	3%	3%	3%
Less than	5	6	4
Equal to	32	30	30
Don't know	4	3	7
Do not believe COLA should be automatically applie	56	58	56
Total	100%	100%	100%

A final equity issue studied in the survey is the age make-up of any commission appointed to solve Social Security's financial problems.

Q.9 *If a Presidential Commission were set up to advise the President on the most appropriate actions to take with respect to the Social Security system, would you favor a commission made up mostly of older citizens at or near retirement age, or one that was half older citizens and half younger citizens?*

	All Respondents	Employed	Retired
Mostly older citizens	17%	14%	28%
Half older, half younger	80	84	66
Don't know	3	2	6
Total	100%	100%	100%

Eighty-four percent of working Americans favor a commission made up of half older citizens and half younger citizens, while only 14 percent would favor a commission made up mostly of older citizens. And, a clear majority of the retired would favor a balance between young and old in the make-up of the commission. (NOTE: The average age of members of the President's bi-partisan Commission on Social Security Reform is 58, including its executive director).

The survey data suggest that it is important to keep the issue of reducing COLAs separate from the issue of reducing defense. As shown in Question 14 above, there are more respondents (among both the retired and those currently employed) who would favor reducing COLAs in the same proportion as other spending than there are respondents saying that COLAs should not be reduced. However, as shown in Question 15 below, scaling back both social security and defense in the same proportion as other spending is an idea that meets with less favor.

These data suggest that many people are less inclined to reduce defense spending than they are social security spending.

Q.15 *The President's budget as submitted to Congress earlier this year calls for spending cuts in many small programs, but two of the largest items -- social security and defense -- were not reduced. If both social security and defense were scaled back by the same proportion as all other items in the budget, would this make you more favorable or less favorable toward the President's budget?*

	All Respondents	Employed	Retired
More favorable	35%	37%	28%
Less favorable	49	48	51
Would make no difference (Volunteered)	7	6	8
Don't know	9	9	13
Total	100%	100%	100%

VIII. RETIREES DO NOT FEEL THEIR LIVING COSTS GO UP FASTER THAN WORKING FAMILIES' LIVING COSTS.

There have been recent calls for a separate cost-of-living index for the retired based on the belief that living costs go up at a different rate for retirees than for working families. Almost all experts who have analyzed the issue conclude that there is no significant difference in the overall change in cost-of-living between retirees and currently employed persons. However, the attitudes of the two groups are another measure of whether constructing such an index would be socially useful.

A.5 *Do you believe that living costs for retired people go up faster than living costs for working families, go up more slowly, or go up at about the same rate?*

	All Respondents	Employed	Retired
Go up faster	17%	18%	13%
Go up more slowly	24	26	18
Go up at same rate	56	52	62
Don't know	3	4	7
Total	100	100	100

Sixty-two percent of the retired believe living costs go up at the same rate as for working families; the rest are fairly evenly divided.

QUESTIONNAIRE & SURVEY RESPONSES

SURVEY RESPONSES
(Percent of Responses)
N= 1,028

	STATUS		
	Total	Employed	Retired
1. Thinking about the amount of social security benefits the government pays to retired people, and taking into consideration everything else the government spends money on -- do you think the social security payments retired people are receiving are higher than they should be, lower than they should be, or are just about the right amount?			
Higher than should be	9%	8%	6%
Lower than should be	57	61	35
Just about right amount	30	26	55
Don't know	4	5	4
2. Are you retired now, or are you currently employed, a student, housewife, or what?			
Retired now -- CONTINUE WITH Q. 4	17%	N/A	N/A
Currently employed	57		
Student, housewife	19		
Unemployed, laid off -- GO TO Q. 3	5		
Other (specify)	1		
Don't know	1		
3. What do you expect when you retire -- will the social security benefits you receive be better than those received by retired people today, or not as good, or are you afraid you might not receive social security payments at all?			
Will be better	7%	7%	N/A
Not as good	14	16	
Will not receive at all	52	63	
Will be same as those today (VOLUNTEERED)	7	9	
Don't know	4	5	
No response	16	N/A	

	STATUS		
	Total	Employed	Retired
4. In the last couple years, do you think the social security income that people receive has gone up by more than the consumer price index, less than the consumer price index, or about the same amount?			
More than consumer price index	6%	7%	5%
Less than consumer price index	57	60	41
About the same amount	28	27	40
Don't know	9	6	14
5. Do you believe that living costs for retired people go up faster than living costs for working families, go up more slowly, or go up at about the same rate?			
Go up faster	17%	18%	13%
Go up more slowly	24	26	18
Go up at same rate	56	52	62
Don't know	3	4	7
6. Over the last 3 years, social security payments have increased a total of 40 percent because of automatic increases tied to the consumer price index. If you were a member of Congress voting on this issue, would you have voted to increase social security payments by 40 percent during the last 3 years, or would you have voted for larger, or for smaller increases?			
40 percent increase	33%	31%	46%
Larger increase	38	38	28
Smaller increase	20	24	11
Don't know	9	7	15
7. As you probably know, the Social Security System gets its money from payroll taxes paid by employers and people during their working years, and pays out money to people when they are retired. Do you happen to know, is social security at present paying out more money than it is receiving, paying out less money than it is receiving, or paying out about the same amount as it is receiving?			
Pays out more money than receives	50%	55%	46%
Pays out less money than receives	17	16	11
Pays out same as receives	14	12	16
Don't know	19	17	27

	STATUS		
	Total	Employed	Retired

8. From what you have heard or read, do you think the Social Security System has major financial problems that have to be dealt with, or is it in essentially sound financial condition if things are continued as they are?

Financial problems	80%	86%	62%
Essentially sound] GO TO Q. 9	13	9	25
Don't know]	7	5	13

IF PROBLEMS, ASK Q. 8a, 8b, AND 8c

8a. If no changes are made in the Social Security System, how soon do you think the system might have trouble meeting its financial obligations -- within one year, three years, five years, ten years, or longer than that?

Within one year	11%	11%	11%
Three years	19	21	16
Five years	22	24	11
Ten years	13	16	5
Longer than that	7	7	4
Don't know	8	7	15

8b. What do you believe is the main cause of the financial problem in the Social Security System -- is it because social security taxes are too low, or because social security pays benefits that are too high, or because the benefits have been adjusted upward too much for inflation in recent years?

Taxes are too low	9%	10%	6%
Benefits are too high	11	10	13
Adjusted upward too much for inflation	27	31	10
Don't know	33	36	33

8c. Which political party do you think is playing the more responsible role in trying to get social security back onto a more sound financial footing -- Republicans, Democrats, or are the two parties about equal in this respect?

Republicans	19%	22%	16%
Democrats	22	22	19
Two about equal	30	33	17
Don't know	9	9	10

	STATUS		
	Total	Employed	Retired

9. If a Presidential Commission were set up to advise the President on the most appropriate actions to take with respect to the Social Security System, would you favor a commission made up mostly of older citizens at or near retirement age, or one that has half older citizens and half younger citizens?

Mostly older citizens	17%	14%	28%
Half older, half younger	80	84	66
Don't know	3	2	6

10. In your opinion, should the President be given authority to reduce social security payments by the proportion that other government spending programs have to be reduced when there is a large deficit in the government budget, or should the President not be given authority to do that?

Should be given authority	20%	21%	11%
Should not be given authority	76	77	81
Don't know	4	2	8

11. Some people have proposed that there should be budget cuts in the total amount that the Social Security System is scheduled to pay out to retired people this year. From what you have heard, do you think this would result in reducing the number of people who receive checks, reducing the dollar amount of the checks people receive, or would the dollar amount of the checks stay the same as before instead of going up?

Reduce number of people who receive checks	17%	17%	15%
Reduce dollar amount of the checks	34	40	17
Dollar amount stay the same (instead of going up)	33	30	38
Don't know	16	13	30

12. If your Senator or Congressman voted to freeze social security benefits temporarily at their existing level for one year rather than having them rise automatically with the Consumer Price Index, would this make you more likely to vote for that Senator or Congressman, or less likely, or would this not be an important issue for you in deciding how you would vote?

More likely	26%	28%	28%
Less likely	34	33	33
Not important issue	33	33	33
Don't know	7	6	6

	STATUS		
	Total	Employed	Retired
13. Some types of income payments are automatically increased by the same proportion as increases in the Consumer Price Index. Do you believe that these cost-of-living adjustments should automatically be applied to social security benefit payments and to federal pension payments for government employees and the military, or should any increases be left up to Congress each year?			
Should automatically be applied	44%	42%	44%
Should be left up to Congress] GO TO Q. 14	45	48	38
Don't know]	11	10	18
13a. Should these automatic federal government cost-of-living adjustments be greater than, less than, or equal to the average cost-of-living adjustments in labor contracts negotiated with private industry?			
Greater than	3%	3%	3%
Less than	5	6	4
Equal to	32	30	30
Don't know	4	3	7
Do not believe COLA should be automatically applied	56	58	56
14. In 1983, automatic cost-of-living adjustments for federal programs will cost the government about 21 billion dollars. At present, government is reducing its spending in many areas. Do you think cost-of-living adjustments should be reduced in the same proportion as other spending, or should cost-of-living adjustments not be reduced?			
Reduced in same proportion as other spending	48%	49%	46%
Not be reduced	44	43	42
Don't know	8	8	12
15. The President's budget as submitted to Congress earlier this year calls for spending cuts in many small programs, but two of the largest items -- social security and defense -- were not reduced. If both social security and defense were scaled back by the same proportion as all other items in the budget, would this make you more favorable or less favorable toward the President's budget?			
More favorable	35%	37%	28%
Less favorable	49	48	51
Would make no difference (VOLUNTEERED)	7	6	8
Don't know	9	9	13